

Amendments to Senate Bill No. 567  
 1st Reading Copy

Requested by Senator Kim Gillan

For the Senate Taxation Committee

Prepared by Lee Heiman  
 March 31, 2007 (9:45am)

1. Title, line 4 through line 13.

**Strike:** "CREATING" on line 4 through "PURPOSES;" on line 13

2. Title, line 14 through line 16.

**Strike:** "ENERGY" on line 14 through "GOVERNMENTS" on line 15

**Insert:** "OIL, GAS, AND COAL NATURAL RESOURCE ACCOUNT"

**Strike:** "SECTIONS" on line 15 through the first "AND" on line 16

**Insert:** "SECTION"

**Following:** "MCA;" on line 16

**Insert:** "PROVIDING A CONTINGENT VOIDNESS PROVISION;"

3. Page 1, line 20 through page 16, line 4.

**Strike:** everything after the enacting clause

**Insert:** "Section 1. Section 15-36-331, MCA, is amended to read:

"15-36-331. **Distribution of taxes.** (1) (a) For each calendar quarter, the department shall determine the amount of tax, late payment interest, and penalties collected under this part.

(b) For the purposes of distribution of oil and natural gas production taxes to county and school district taxing units under 15-36-332 and to the state, the department shall determine the amount of oil and natural gas production taxes paid on production in the taxing unit.

(2) (a) The amount of oil and natural gas production taxes collected for the privilege and license tax pursuant to 82-11-131 must be deposited, in accordance with the provisions of 15-1-501, in the state special revenue fund for the purpose of paying expenses of the board, as provided in 82-11-135.

(b) The amount of the tax for the oil, gas, and coal natural resource account established in 90-6-1001 must be deposited in the account.

(3) (a) For Subject to subsection (3)(b), for each tax year, the amount of oil and natural gas production taxes determined under subsection (1)(b) is allocated to each county according to the following schedule:

tax years	2005	2006 and succeeding
	45.04%	45.05%
Big Horn	45.04%	45.05%

Blaine	<del>58.11%</del>	58.39%
Carbon	<del>48.93%</del>	48.27%
Chouteau	<del>57.65%</del>	58.14%
Custer	<del>80.9%</del>	
69.53%		
Daniels	<del>49.98%</del>	50.81%
Dawson	<del>50.64%</del>	47.79%
Fallon	<del>41.15%</del>	41.78%
Fergus	<del>83.52%</del>	69.18%
Garfield	<del>48.81%</del>	45.96%
Glacier	<del>64.74%</del>	58.83%
Golden Valley	<del>57.41%</del>	58.37%
Hill	<del>65.33%</del>	64.51%
Liberty	<del>59.73%</del>	57.94%
McCone	<del>52.86%</del>	49.92%
Musselshell	<del>51.44%</del>	48.64%
Petroleum	<del>54.62%</del>	48.04%
Phillips	<del>53.78%</del>	54.02%
Pondera	<del>70.89%</del>	54.26%
Powder River	<del>62.17%</del>	60.9%
Prairie	<del>39.73%</del>	40.38%
Richland	<del>46.72%</del>	47.47%
Roosevelt	<del>46.06%</del>	45.71%
Rosebud	<del>38.69%</del>	39.33%
Sheridan	<del>47.54%</del>	47.99%
Stillwater	<del>54.35%</del>	53.51%
Sweet Grass	<del>60.24%</del>	61.24%
Teton	<del>48.4%</del>	46.1%
Toole	<del>57.14%</del>	57.61%
Valley	<del>54.22%</del>	51.43%
Wibaux	<del>48.68%</del>	49.16%
Yellowstone	<del>48.06%</del>	46.74%
All other counties	<del>50.15%</del>	50.15%

(b) (i) From each county's allocation under subsection (3)(a), 1.25% must be deposited in the oil, gas, and coal natural resource account established in 90-6-1001 to be used for impact grants awarded pursuant to 90-6-206 and [section 14 of House Bill No. 798].

(ii) If the amount estimated for deposit in the oil, gas, and coal natural resource account under subsection (3)(b)(i) is less than \$1 million, the coal, oil, gas, and energy development impact board established in 2-15-1821 shall determine a percentage that when applied to all county's allocations, will result in a deposit of \$1 million to the account.

(b)(c) The oil and natural gas production taxes allocated to each county must be deposited in the state special revenue fund and transferred to each county for distribution, as provided in 15-36-332.

(4) The department shall, in accordance with the provisions of 15-1-501, distribute the state portion of oil and natural gas

production taxes remaining after the distributions pursuant to subsections (2) and (3) as follows:

(a) for each fiscal year through the fiscal year ending June 30, 2011, to be distributed as follows:

(i) 1.23% to the coal bed methane protection account established in 76-15-904;

(ii) 2.95% to the reclamation and development grants special revenue account established in 90-2-1104;

(iii) 2.95% to the orphan share account established in 75-10-743;

(iv) 2.65% to the state special revenue fund to be appropriated to the Montana university system for the purposes of the state tax levy as provided in 20-25-423; and

(v) all remaining proceeds to the state general fund;

(b) for fiscal years beginning after June 30, 2011, to be distributed as follows:

(i) 4.18% to the reclamation and development grants special revenue account established in 90-2-1104;

(ii) 2.95% to the orphan share account established in 75-10-743;

(iii) 2.65% to the state special revenue fund to be appropriated to the Montana university system for the purposes of the state tax levy as provided in 20-25-423; and

(iv) all remaining proceeds to the state general fund."

{ Internal References to 15-36-331:

15-1-501 x	15-36-304x	15-36-332x	15-36-332x
15-36-332x	75-10-743 x	76-15-904x	82-11-135x
90-2-1104 x	90-6-1001x}		

**Insert:** "NEW SECTION. **Section 2. Contingent voidness.** If House Bill No. 798 is not passed and approved, then [this act] is void."

**Insert:** "NEW SECTION. **Section 3. {standard} Effective date.** [This act] is effective July 1, 2007."

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